

Memorandum

Date: January 28, 2013

To: Honorable Mark Leno, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee

Honorable Bob Blumenfield, Chair
Assembly Budget Committee

Via: Denise Brown, Director
Department of Consumer Affairs

From: John Wallauch, Chief
Bureau of Automotive Repair

Subject: Supplemental Report - Consumer Assistance Program (Item 1111-001-0582)

Purpose This report concerns the Bureau of Automotive Repair's (BAR) Consumer Assistance Program (CAP) operations for Fiscal Year 2011-12, as required by the Supplemental Report requirement of the 2008 Budget Act. The CAP statistics and data provided only cover the prior fiscal year.

CAP offers two options to consumers:

**Program
Description**

- Repair Assistance: Eligible consumers receive up to \$500 in emissions-related repair work after having a vehicle fail its smog inspection. The repairs must be performed at one of over 500 Smog Check stations providing CAP services under a standard agreement with BAR. To be eligible, a consumer's household income must be less than or equal to 225 percent of federal poverty guidelines, as published by the United States Department of Health and Human Services. The applicant must submit one of several alternative documents to verify income level.
 - Vehicle Retirement: Eligible consumers receive either \$1,000, or \$1,500 if income eligible, to retire their vehicle at a BAR-contracted dismantler. The vehicle does not need to fail a biennial inspection. Consumer participation is limited to no more than once every 12 months. The vehicle must have been registered as operable with the Department of Motor Vehicles, or have proof that it has been primarily operated in California for the past two years. The vehicle must be a passenger car, or truck with a gross vehicle weight rating of 10,000 pounds or less. Finally, the vehicle must pass a visual and operational inspection at the dismantler site.
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**Consumer
Participation**

CAP repaired 23,507 vehicles, and retired 39,413 vehicles.

Program Costs BAR incurred \$9,529,675 in expenses to repair vehicles, \$51,969,344 to retire vehicles, and \$10,745,000 in administrative costs to operate both programs.

Emissions Reductions BAR uses formulas developed in conjunction with the Air Resources Board to estimate emissions reductions achieved through CAP.

BAR reduced an estimated 13,722 tons of emissions through these two programs.

San Joaquin Valley and South Coast Air Districts Because of the special attention given in the State Implementation Plan to air quality issues affecting the San Joaquin Valley and South Coast, BAR has included participation statistics for these two regions. The following statistics are not in addition to, but a portion of, the statewide figures shown in the Consumer Participation section of this report.

CAP repaired 4,843 vehicles, and retired 5,653 vehicles in the San Joaquin Valley Air Pollution Control District.

CAP repaired 8,154 vehicles, and retired 13,647 vehicles in the South Coast Air Quality Management District.

Attachment Summary of Program Statistics: Fiscal Year 2011-12

Copies to: Honorable Christine Kehoe, Chair, Senate Appropriations Committee
Honorable Mike Gatto, Chair, Assembly Appropriations Committee
Honorable Bill Emmerson, Vice Chair, Senate Budget and Fiscal Review Committee
Honorable Jeff Gorell, Vice Chair, Assembly Budget Committee
Mac Taylor, Legislative Analyst, Legislative Analyst's Office
Keely Bosler, Staff Director, Senate Budget and Fiscal Review Committee
Bob Franzoia, Staff Director, Senate Appropriations Committee
Christian Griffith, Chief Consultant, Assembly Budget Committee
Geoff Long, Chief Consultant, Assembly Appropriations Committee
Diane F. Boyer-Vine, Legislative Counsel
Gregory Schmidt, Secretary of the Senate
E. Dotson Wilson, Chief Clerk of the Assembly
Ana J. Matosantos, Director, Department of Finance
Anna Caballero, Agency Secretary, State and Consumer Services

Summary of Program Statistics (Attachment to Item 1111-001-0582)
Bureau of Automotive Repair - Consumer Assistance Program
July 1, 2011 - June 30, 2012

Program Element	Program Component	Repair Assistance	Vehicle Retirement: On-Cycle		Vehicle Retirement: Off-Cycle Enhanced Fleet Modernization Program (EFMP)		Total
		Income-Eligible Option	Income Eligible Option	General Option	EFMP: Income Eligible Option	EFMP: General Option	
Consumer Copayment and State Disbursement Amounts	Consumer Copayment	\$20	-	-	-	-	-
	Maximum State Disbursement	\$500	\$1,500	\$1,000	\$1,500	\$1,000	-
Consumer Participation	Vehicles Repaired or Retired	23,507	8,813	4,859	17,496	8,245	62,920
Program Disbursements	Program Disbursements	\$9,529,675	\$12,970,224	\$4,842,621	\$25,886,418	\$8,270,081	\$61,499,019
	Average Disbursement	\$405	\$1,472	\$997	\$1,480	\$1,003	-
Estimated Annual Emissions Reductions (tons per year)	Hydrocarbons	144.3	398.3		587.8		1,130
	Oxides of Nitrogen	165.3	330.0		709.6		1,205
	Carbon Monoxide	1,462.5	3,568.1		6,356.4		11,387
	Total	1,772.1	4,296.4		7,653.8		13,722